IN THE UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA	**:**	**CRIMINAL NO._____**
v.	**:**	**DATE FILED: _____**
RITA ZOULOIAN	**:**	**VIOLATION:**
	:	**18 U.S.C. § 1347 (health care fraud –**
	:	**1 count)**

INFORMATION

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all time material to this information:

The Medical Center

1. Defendant RITA ZOULOIAN was an owner and administrator of a medical center, known as The Medical Center and Rehabilitation ("Medical Center"), located at 13050 Bustleton Avenue, Philadelphia, Pennsylvania.

2. The Medical Center was in the business of providing medical and therapeutic care, including physical therapy, to patients who had suffered soft tissue injuries in motor vehicle or other accidents.

3. The Medical Center operated Monday through Friday, and employed a part-time chiropractor and part-time physical therapists as the principal health care providers, as well as a small clerical staff.

4. The Medical Center obtained all of its revenue from insurance companies in payment of claims that it submitted for reimbursement for medical and therapeutic services it

supposedly rendered.

5. Defendant RITA ZOULOIAN shared the profits from the Medical Center with Shlomo Kaufman, charged elsewhere, and an individual known to the United States Attorney as "BM."

The Health Care Benefit Programs

6. The Medical Center regularly submitted claims for reimbursement for services it supposedly provided to health care insurance plans operated by private insurance companies. Each of the health care insurance plans was a health care benefit program as that term is defined in Title 18, United States Code, Section 24, and as that term is used in Title 18, United States Code, Section 1347.

7. The Medical Center submitted claims to health care programs on a health care claim form, called a HCFA Form 1500, which is standard in the industry. Among other things, the HCFA Form 1500 required the provider to identify the patient, the insured person, the insurance program, the dates on which services were rendered, the specific services provided, and the identity of the provider performing the services.

8. Pursuant to industry practice, the Medical Center identified the particular service provided through specific code numbers. The Common Procedural Terminology Manual (the "CPT Manual"), a publication of the American Medical Association, contained a listing of descriptive terms and identifying codes for reporting and billing medical services and procedures. Providers such as the Medical Center used these terms and codes to designate the particular service provided in a uniform language of medical services, which allowed reliable nationwide communication among providers, patients and insurers. The CPT Manual assigned numeric codes, commonly known as CPT codes, for virtually all medical, surgical and diagnostic

services.

9. In order to obtain reimbursement for services supposedly provided to a patient, the Medical Center was required to identify by CPT codes on the HCFA Form 1500 each service supposedly provided to that patient on the stated dates. If that health care benefit program approved the claim for payment, the amount of reimbursement to providers such as the Medical Center would be determined based on the CPT codes.

10. The American Medical Association also published an annual International Classification of Diseases manual, which set forth the various numerical codes, known as ICD-9 codes, which had to be included in each claim for health care services to designate the diagnosis, symptom, complaint, condition or problem presented in the medical visit for which the claim was submitted.

11. At the bottom of the HCFA Form 1500, the physician or supplier was required to sign, certifying to the accuracy of all the information in the claim.

12. The Medical Center submitted claims to numerous insurers.

SCHEME

13. From in or about January 2002, through in or about December 2002, in the Eastern District of Pennsylvania, defendant

RITA ZOULOIAN,

together with others known and unknown to the United States Attorney, knowingly and willfully executed, or attempted to execute, a scheme and artifice to defraud health care benefit programs, and to obtain money and property owned by and under the custody and control of those health care benefit programs, by means of false and fraudulent pretenses, representations, and promises, in connection with the delivery of and payment for health care benefits, items and services, by

submitting and causing to be submitted false and fraudulent health care insurance claims for reimbursement for medical treatment and physical therapy services, when defendant ZOULOIAN knew that the treatment and services claimed had not in fact been provided.

MANNER AND MEANS

It was part of the scheme that:

14. Defendant RITA ZOULOIAN added treatment dates to the records that the Medical Center maintained for each of its patients and directed the clerical staff to do so.

15. Defendant RITA ZOULOIAN altered these patient records so that the clerical staff of the Medical Center could use these altered patient records to prepare claims for submission to the patients' health care benefit programs, which included the fraudulent treatment dates.

16. Defendant RITA ZOULOIAN caused the submission of claims which were false and fraudulent in the following manners, among others:

a. The Medical Center's claims reported that services had been performed on particular dates, when in fact they had not been; and

b. The Medical Center's claims reported that medical treatment had been provided on particular dates by a chiropractor, when in fact they had not been.

17. Through these fraudulent practices, defendant RITA ZOULOIAN caused the health care insurance programs to overpay the Medical Center by approximately $200,000.

18. On or about January 7, 2002, in the Eastern District of Pennsylvania, defendant

RITA ZOULOIAN

knowingly and willfully executed a scheme and artifice to defraud a health care benefit program,

that is, Kemper Insurance Companies, and to obtain money and property owned by and under the custody and control of that health care benefit program, by means of false and fraudulent pretenses, representations, and promises, in connection with the delivery of and payment for health care benefits, items and services, by submitting and causing to be submitted a fraudulent health care insurance claim for reimbursement for medical treatment and physical therapy services supposedly provided for patient "OK," when defendant ZOULOIAN knew that the treatment and services had not in fact been provided.

All in violation of Title 18, United States Code, Section 1347.

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PATRICK L. MEEHAN
United States Attorney